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Annual report on evaluation 2017

Summary

In this annual report on evaluation for 2017, the Independent Evaluation Office of UNDP presents the status of key initiatives during 2017 and looks at progress to date in applying the evaluation principles of independence, credibility and utility associated with the professionalization of the Independent Evaluation Office.

The addendum to this report (DP/2018/xx) provides a brief analysis of actions UNDP has agreed to carry out in response to evaluation recommendations from the Independent Evaluation Office.

Elements of a decision

The Executive Board may wish to: (a) take note of the annual report and its addendum; and (b) request UNDP to address the issues raised.

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I. Introduction

1. The annual report on evaluation 2017 details the work of the Independent Evaluation Office (IEO) in 2017. It was a transition year for UNDP as it approached the conclusion of its previous Strategic Plan, 2014-2017, and prepared for a new period under a newly approved Strategic Plan, 2018-2021, and a newly appointed Administrator, Achim Steiner. The Independent Evaluation Office supported this transition through a detailed, evidence-based evaluation of the previous strategic plan and its global and regional programmes. It provided insight and lessons to enable the transition to a new period in UNDP work to support sustainable development globally and the achievement of the Sustainable Development Goals and the 2030 Agenda for Sustainable Development. The Independent Evaluation Office stands ready to continue to capture results achieved and challenges met under this new strategic plan through its ongoing evaluation work.

2. During the year, the Independent Evaluation Office finalized its multi-year plan, 2014 to 2017. The quadrennial period saw considerable change within the office and its approach to implementing evaluation, as it cemented its independence, advanced the professionalization of evaluation and sharpened approaches to evaluation, accountability and oversight.

3. As it moves forward, the Independent Evaluation Office is aware of the increasing demand on UNDP to prove its comparative strengths and value-added proposition as a development partner that can demonstrate its impact. The office and its evaluations will continue to offer an unbiased examination of UNDP approaches and achievements. The 2016 evaluation policy and changes in the structure and oversight of the Independent Evaluation Office have strengthened UNDP accountability and transparency, and buttressed the organization's efforts to learn from implementation experience. The independence of evaluation is paramount to ensure that assessments are credible, impartial and objective, and free from undue influence, distortion or bias.

Entrenching the 2016 evaluation policy

4. The new evaluation policy, approved by the Executive Board at its second regular session 2016, saw its first full year of implementation in 2017. Key features of the policy include greater clarity of IEO independence and the Director's responsibilities, precise financial targets for evaluation, a revised committee structure for audit and evaluation, and stronger mechanisms for the implementation of management responses to evaluation.

5. In 2017, the Independent Evaluation Office received an increased funding allocation of $9 million, which enabled it to expand its commitment to a programme of work commensurate with the evaluation policy. This also fully meets funding commitments under the evaluation policy which allocates 0.2 per cent of regular (core) and other (non-core) programme budget for the Independent Evaluation Office. The office welcomes the reiterated UNDP commitment to this budget benchmark under its integrated resources plan and integrated budget estimates, 2018-2021.[1] Yet funding for evaluation in other UNDP implementing entities continues to lag behind the benchmarks set out in the evaluation policy, which commits the organization to spending 1 per cent of its core and non-core programme budget on evaluation.

Executive Board of UNDP

6. A key independence provision is the reporting line of the Director of the Independent Evaluation Office and the role of the Executive Board as custodian of the policy, which explicitly specifies that the Director reports to and is directly accountable to the Executive Board. The Independent Evaluation Office enjoys a constructive relationship with the Board, evidenced in its serious engagements at all informal and formal Board sessions in 2017, which focused on IEO thematic evaluations and reports. The high number of delegations that provided remarks and asked questions attests to the value placed on this engagement.

7. In 2017, the Independent Evaluation Office formally presented to the Executive Board for their consideration and decision:

[1] Document DP/2017/39, paragraph 22.

- *First regular session.* Evaluations of the UNDP contribution to anti-corruption and addressing the drivers of corruption, and UNDP support for disability-inclusive development;
- *Annual session.* The annual report on evaluation 2016 and the joint assessment on institutional effectiveness; and
- *Second regular session.* The evaluation of the UNDP Strategic Plan, 2014-2017, and global and regional programmes.

The Audit and Evaluation Advisory Committee

8. The Independent Evaluation Office reported regularly to the Audit and Evaluation Advisory Committee in 2017 on all aspects of its work, including presentations of thematic and country programme evaluations by lead evaluators. Having a single entity reviewing the work of the Independent Evaluation Office and the Office of Audit and Investigations, as well as the UNDP Ethics office, brings synergy and convergence to the exercise of these essential oversight functions.

The Evaluation Advisory Panel

9. In 2017, the Evaluation Advisory Panel saw its role further cemented, with the Independent Evaluation Office continuing to regularly draw on the panel's expertise to ensure the quality of its work. The panel's 12 members are experts in evaluation drawn from all areas of the globe and have an academic as well as practical understanding of evaluation. At its regular meeting in May 2017, the panel gave guidance to the office on critical changes being undertaken including, changes to the independent country programme evaluation methodology, approaches to support decentralized evaluations, challenges faced in implementing the evaluation of the strategic plan and input into the new IEO work plan. The office also drew on panel members to provide guidance on individual evaluations, independent country programme evaluations and thematic evaluations, and to provide peer reviews throughout the year, ensuring IEO evaluations were of the highest quality.

II. Key evaluations undertaken in 2017

10. This section outlines the evaluations and the main findings, conclusions and recommendations identified for the organization through eight independent country programme evaluations, the evaluation of the strategic plan, and other work undertaken during 2017.

Evaluation of the UNDP Strategic Plan, 2014-2017, and global and regional programmes

11. The evaluation of the Strategic Plan, 2014-2017, sought evidence of whether UNDP was achieving intended outcomes and whether the strategic plan, and global and regional programmes are serving as effective tools for organizing and guiding UNDP programming and activities. The evaluation was undertaken during a time of significant challenges, restructuring and reorganization efforts within the organization and was conducted in parallel with the drafting of the new Strategic Plan, 2018-2021, to which it provided evaluation-based evidence and lessons. The strategic plan evaluation is one of office's most comprehensive evaluations, with considerable research and analysis informing an extensive set of findings, conclusions and recommendations. The evaluation gathered data and evidence from document reviews, meta-analysis of evaluations and audits of UNDP work, regional and country case study missions, interviews, focus groups and surveys. Documentary evidence was supplemented by over 1,000 interviews with staff and stakeholders across the globe. Triangulating among multiple perspectives and evidential sources, the office came to judgement on the balance of UNDP performance.

12. *Inclusive sustainable development* continued to be a central focus of UNDP work globally and the evaluation found that UNDP was well positioned to provide support as countries accelerated their efforts to meet the 2015 end date for the Millennium Development Goals and to prepare for the Sustainable Development Goals. At this early juncture in implementing the Goals, UNDP has made a promising start through the mainstreaming, acceleration and policy support (MAPS) approach, which assists countries in harmonising the Goals with national planning priorities. The evaluation recommends that assisting countries with the Goals should be a cross-cutting priority for all UNDP country offices.

13. UNDP states that its overarching objective is to help the poorest of the poor and most marginalized populations. However, while evidence suggests UNDP has embedded a

multidimensional approach to poverty in national and global debates, the evaluation noted concerns that UNDP sometimes settles too easily for small-scale livelihood interventions that may not be sustainable.

14. UNDP has managed over one third of all Global Environment Facility (GEF) projects and a similar number of projects under the new Green Climate Fund (GCF). It is through environmental services that UNDP works most directly at the community level, especially through its implementation of the GEF Small Grants Programme. The evaluation recognizes UNDP achievements in assisting countries to promote greater energy efficiency and more sustainable energy production, with special attention to poor and rural communities.

15. The evaluation looked extensively at the UNDP portfolio on *governance*, an area of work where UNDP raises and expends about half of its resource, primarily to help to strengthen basic services, as well as accountability, the rule of law, electoral systems and peacebuilding. While UNDP is well positioned to promote governance reform, it can do more to push for inclusive and accountable processes. The evaluation recommends that UNDP be more proactive in supporting sectoral governance approaches and more persuasive in promoting democratic governance reforms. The evaluation gave some focus to UNDP work in helping governments improve civil service processes, especially in countries that have been in crisis and that have highlighted a need for governance support targeted to critical government functions essential for stability. The evaluation recommended that UNDP improve its strategic support to Goal 16 and related intergovernmental agreements on peacebuilding and state-building.

16. *Resilience* forms the third main area of work for the organization, and its internal organization of support for disaster risk reduction was restructured during this period, in effect, dissolving a well-recognized crisis prevention and recovery bureau. Nevertheless, the UNDP Crisis Response Unit has been effective at deploying staff and consultant resources, and at quickly releasing initial funding to get recovery programmes moving. Disaster risk reduction is an area that has important synergies with the rapidly expanding UNDP climate change adaptation support to countries. The evaluation recommended that UNDP retain resilience as a distinct area of work under the plan.

17. With respect to *gender*, the evaluation focuses especially on UNDP efforts to implement its gender equality strategy, and its contributions to women's empowerment through support to partner governments. The evaluation notes some weaknesses, such as limitations in the implementation of the UNDP gender equality strategy, both in terms of providing resources to support gender programming and in mainstreaming gender equality across UNDP programme areas. Specifically, UNDP should ensure there is gender expertise across programmatic areas such as environment, energy and crisis response, where gender mainstreaming remains weak.

18. In the past four years, UNDP has clarified its corporate structure and defined more precisely its operational approaches to *South-South and triangular cooperation*. The UNDP role as administrative agent for the United Nations Office for South-South Cooperation is acknowledged in the report, along with recent improvements made to its planning and management. Challenges remain in the mainstreaming of South-South cooperation in country-level programming, and UNDP has yet to prioritize thematic areas where it will pursue South-South exchanges more systematically.

19. The *fifth global programme* fulfils an important policy support function that has enabled UNDP to maintain intellectual engagement in the global development arena, by participating in major international events and channelling country-level lessons into global policy discussions. However, the evaluation also considered the programme's results framework and indicators to be excessive, as they cover the breadth of UNDP work under the strategic plan, including country-level results. The evaluation viewed the global programmes more as funding lines, to support staff positions for achieving corporate-wide results, than as a distinct global programme, and consequently, recommend that UNDP change the global programme into a service line for supporting staff positions at global and regional levels.

20. With respect to *regional programmes*, the Independent Evaluation Office notes the challenges faced by the teams during restructuring, including the movement of personnel from headquarters to the regional hubs, and with three of the regional hubs changing countries. The regional programmes have variably expanded support for new approaches and innovative solutions and promoted subregional programming; but in some regions, too many country-related activities overlap with country office programming. The office recommended that UNDP reassess the roles and financial

sustainability of the regional hubs, striving to make them centres of excellence for innovation and learning while expanding cooperation and partnerships with regional institutions.

21. In terms of *institutional effectiveness*, the evaluation found, building on its earlier joint assessment with the UNDP Office of Audit and Inspection, that there are signs of improvement in terms of higher-quality programming, openness, agility and adaptability; but these have had a limited impact on harnessing knowledge, solutions and expertise to improve results and institutional effectiveness, as envisaged in the strategic plan. To better promote a results culture, UNDP leadership should encourage an environment that welcomes critical reflection and continuous organizational learning for improved results and institutional effectiveness. Beyond reporting for compliance and capturing best practices, the focus should be on using lessons learned to harness knowledge, solutions and expertise to improve results and effectiveness. In building this culture, UNDP should improve transparency and communication at the most senior levels of the organization, to encourage and further improve openness and engagement.

22. Although UNDP is now a leaner, more cost-conscious organization, there has been insufficient progress on results-based budgeting, and the financial sustainability of the organization is challenged by diminishing regular resources, inadequate funding models and exchange rate losses. The Independent Evaluation Office recommends that UNDP transition from political budgeting to a more risk and results-based budgeting and management approach, more effectively linking results to resources. This will help mobilize funds and better highlight investment gaps to donors. UNDP is being held accountable to a corporate strategic plan without predictable and adequate resources.

23. The final evaluation of the strategic plan – which was well received by UNDP and the Executive Board, and gained a robust management response from the Administrator – will help to the strengthen future UNDP work and implementation of the new Strategic Plan, 2018-2021.

Tracking implementation of Independent Evaluation Office recommendations[2]

24. In 2017, the Independent Evaluation Office reviewed previous thematic and country programme evaluation follow-up by UNDP. The vast majority of evaluation recommendations come with management responses setting out specific key actions; however, actual implementation is uneven and reporting is poor. Only 55 per cent of key actions (across 62 reports analysed), were completed, with the remainder: (a) "initiated or ongoing without a due date" (29 per cent); (b) overdue (10 per cent); (c) not yet initiated (4 per cent); or (d) marked as no longer relevant (2 per cent). To strengthen oversight and implementation, the office will strengthen guidelines for the follow-up and scheduling of key actions, revise the evaluation resource centre database to better track actions taken, and regularly oversee and follow up with UNDP on the results of such actions taken in response to IEO evaluation recommendations.

Independent country programme evaluations, 2017

25. In 2017, the Independent Evaluation Office made its final transition from assessments of development results to independent country programme evaluations, and finalized its new approach methodology. Over 100 countries have been evaluated under assessments of development results since 2002. In 2017, independent country programme evaluations were carried out in eight countries: Bhutan, Chile, Republic of the Congo, Kuwait, Namibia, the Philippines, Rwanda and Togo; they will accompany the country programme documents presented to the Board in 2018.

26. The UNDP Strategic Plan, 2018-2021, reaffirms that UNDP country offices are the programmatic and operational backbone of the organization. Country programme documents, developed in cooperation with governments at the start of each new cycle, remain the principal documents that set forth the strategic direction for UNDP engagement in countries over a four or five-year planning cycle. Beginning in 2018, the Independent Evaluation Office will cover 100 per cent of evaluations submitted to the Board in any given year. In order to meet the request of the Board to evaluate all country programmes coming to the end of their cycle, the independent country programme evaluations team has been strengthened and enlarged. At the same time, in order to ensure quality evaluations within a reducing budget envelope, the office has further tightened the methodological approach to allow for quicker turnaround of evaluations.

[2] This report is provided as an addendum to the annual report on evaluation 2017 for the information of the Executive Board.

Charter of the Independent Evaluation Office

27. As part of the independent country programme evaluations reform process and the overall professionaiization of the evaluation function, the Independent Evaluation Office finalized its charter that details the mandate, authority and accountability of the office and defines how it undertakes thematic and country-level evaluations and how it operationalizes its independence. The office will share final charter with UNDP management and programme offices prior to its roll out in 2018.

III. Advancing global evaluation culture and practice in 2017

28. The nature and location of the Independent Evaluation Office provides it with a strategic advantage to be influential, given its role in the United Nations, the United Nations Evaluation Group (UNEG) and its particular evaluation mandate. Development interventions, whether led by government or development partners such as the United Nations, should be built on lessons from evaluations and principles of transparency and accountability. The pursuit of normative goals, such as transparency and accountability, is consistent with United Nations values and UNEG norms and standards. Across the United Nations system, demand for fully independent evaluation functions is increasingly evident and is illustrated by changes being made to evaluation policies in many United Nations organizations. Comments received by the office from its Executive Board and partner governments attest to a growing global demand for credible, independent commentary on performance, and reflect the importance placed on establishing and maintaining a culture of accountability. Development funders demand to know the level of value added when United Nations organizations are bestowed with funds and responsibilities.

National Evaluation Capacities Conference 2017

29. In 2017, the Independent Evaluation Office organized the National Evaluation Capacities Conference in Istanbul from 18 to 20 October, which brought together more than 500 participants from over 110 countries under the banner of People, Planet and Progress in the Sustainable Development Goals Era. The conference, preconference workshops and presentations offered an opportunity for government officials and development partners to share experiences and learn from their engagement with evaluation and the Goals agenda. The unprecedented turnout at the event, far beyond the original target of 300, is a testament to the increasing interest from national governments in developing credible and comprehensive evaluation systems.

30. The conference was the fifth in a series of biennial conferences on national evaluation capacities, each hosted in a different region.[3] The 2017 conference was co-hosted by UNDP, the Independent Evaluation Office, the Regional Bureau for Europe and the Commonwealth of Independent States, and the Government of Turkey, with technical support from the European Evaluation Society. The conference was preceded by 13 technical training workshops offered over two days on 16-17 October. The unexpectedly high demand for the workshops attests to the interest in evaluation training, particularly in relation to implementation of the Goals.

31. Over the three days, more than 30 conference sessions provided multiple spaces for exchange of experiences and lessons learned between peers, comparisons of theory and reality by academics and evaluation and development practitioners, debates between evaluators and evaluands, and brainstorming on the guiding questions of the conference: In the current, rapidly evolving development context and the framework of the Goals, how do principles and practices of evaluation need to change? What are the implications for national evaluation capacities?

32. With generous contributions from the governments of Finland, Sweden, Norway and the Netherlands, the Independent Evaluation Office was able to put in place a bursary programme to assist participants from official development assistance (ODA)-eligible countries to attend the conference. A total of 71 participants were awarded a full bursary, covering their travel, subsistence and registration costs

[3] The 2017 National Evaluation Capacities Conference follows the Bangkok 2015, Sao Paulo 2013, Johannesburg 2011 and Casablanca 2009 conferences (http://web.undp.org/evaluation/nec/nec.shtml).

Independent Evaluation Office support and engagement with the United Nations Evaluation Group (UNEG)

33. The Independent Evaluation Office continues to support and host the United Nations Evaluation Group, a voluntary network of 47 units responsible for evaluation in the United Nations system, including funds, programmes, specialized agencies and affiliated organizations. In addition to the Director serving as UNEG vice-chair in 2017, the office hosted the UNEG secretariat, covered $300,000 in costs for UNEG secretariat staffing, including 20 per cent of the Deputy Director's time as the UNEG executive coordinator; 100 per cent of costs for a programme specialist; contributions for an operations specialist, an information technology specialist and other staff, as well as operating costs. In addition, UNDP also contributes to the UNEG annual membership fee and sponsors some of its work programme activities.

34. In 2017, the IEO Director continued to lead UNEG working group three (evaluation informs system-wide initiatives and emerging demands), which in 2017 further discussed strengthened coordination of evaluation across the United Nations system, and the use of evaluation for the Goals. The UNEG chair and the IEO Director met with and worked closely with Deputy Secretary-General Ms. Amina Mohammed to discuss the future of system-wide evaluation within United Nations reform to strengthen and support the move towards more collective accountability and learning. The office also supported and represented UNEG during the July High-Level Policy Forum, where it presented evaluation as a mechanism for effective national follow-up and review of progress towards the Goals.

Global evaluation influencing, outreach and advocacy

35. During the year, the Independent Evaluation Office directorate and staff participated in a number of global learning platforms, in addition to the National Evaluation Capacities Conference and UNEG activities, pursuing the global focus on evaluation and embedding the needed for this key oversight, accountability and transparency tool.

36. The Independent Evaluation Office participated in the Latin America and the Caribbean evaluation week in Mexico in June, as well as other events in the region to further strengthen evaluation for the Sustainable Development Goals. The office also participated in the Bishkek Global Evaluation forum in Kyrgyzstan, in addition to continued support to both meetings in 2017 of the Organisation for Economic Co-operation and Development's Development Assistance Committee Network on Development Evaluation, where the office represented UNDP interests and views. In 2017, the office's directorate and staff were invited to Norway, Japan and Washington, D.C., to participate and discuss their experience in evaluation, the role independence plays in all its work, and the role of evaluation in advancing the Goals.

Communications and outreach

37. The Independent Evaluation Office continued to diversify and broaden its commination tools to reach new audiences, enhance the utility of evaluation, and encourage broader sharing of findings, which included the production of several reports and advocacy products and continuous dialogue through its social platforms. Analytics on the IEO website registered over 140,000 visitors in 2017, with more than 10,000 followers on Twitter. The office launched a revamped website in 2017 to improve its usability across electronic devices and provide an interactive experience, with better speed and global navigation.

38. The Evaluation Resource Centre, an agency-wide repository of evaluations, continues to expand its detailed database of evaluation reports and terms of reference developed and implemented by UNDP as a whole, further strengthening the transparency of the organization as a whole. The website now holds over 4,000 evaluations and terms of reference, with downloads having reached 34,500 in 2017.

Country-led evaluations in the era of the Sustainable Development Goals

39. The National Evaluation Diagnostics Guidance, a new initiative undertaken by the Independent Evaluation Office to support the strengthening of the national evaluation function, provides tools for step-by-step capacity diagnosis and action points in developing a country's evaluation framework for their national development strategies, which includes the Goals. The guidance and the online tool will be piloted in 2018. It is designed for use by government entities and is flexible, enabling use at all levels of government: federal, regional/state and local authorities.

IV. Oversight and support to decentralized evaluation

Investment in evaluation, 2017

40. In 2017, UNDP spent $21.73 million on evaluation, 0.48 per cent of core and non-core UNDP fund utilization.[4] This marks an increase in expenditure from 2016, when $19.85 million was spent, though the percentage of core and non-core budgets remains similar.[5] The Independent Evaluation Office utilized a budget of $9.03 million for evaluations, institutional activities, staff and rental costs. Country office-level expenditure for evaluations, accounting for evaluation and staff costs, was $10.56 million (results-oriented annual report, 2017). At the headquarters and regional bureau levels, $2.17 million was budgeted for evaluation, including staff and evaluation costs. [6]

41. Though the evaluation policy calls for clarity in the funding of evaluation and the delineation of the evaluation and monitoring function, the budget and resource allocation picture remains unclear at the country, regional and global levels, and funding allocations appear fungible across the organization.[7] Going forward, it is essential that clear guidance on financial and human resources allocation be given to regional and country offices in order to delineate monitoring and evaluation costs and to capture all evaluation-related expenses and time allocations.

Decentralized evaluation implementation, 2017

42. UNDP country offices, regional bureaux and headquarters completed 315 evaluations planned for 2017. This marks an increase in the number of (and budget for) decentralized evaluations implemented, compared to 2016 (283), and suggests a high implantation compliance rate compared to plans (89 per cent).

43. There has been an increase in the number of UNDP project evaluations undertaken, 158 compared to 127 in 2016. However, mandatory evaluations continue to make up a considerable proportion of evaluation plans and implementation. This year, mandatory evaluations, such as the GEF terminal and mid-term evaluations and reviews, and the United Nations Development Assistance Framework (UNDAF) and outcome evaluations, accounted for 50 per cent of those completed. GEF evaluations continued to account for a third of all evaluations (35 per cent in 2017). The declining trend in decentralized evaluations identified in 2016 has somewhat halted and, as mentioned, 2017 saw an increase in the number.

44. Annually, UNDP commits to undertake a considerable number of decentralized evaluations in order to strengthen its own learning and improve project and programme implementation. The existing guidelines of what should be subject to evaluation remains flexible, leading to considerable variability across implementing units of what they intend to evaluate, when designing their evaluation plans. At the same time, the portfolio of evaluations being undertaken currently lacks full independence. As a result, the UNDP decentralized evaluation approach and annual portfolio of evaluations does not ensure full accountability and transparency of implementation.

Evaluation planning vs. implementation

45. At the time of the Executive Board's annual session 2017, the Independent Evaluation Office reported 505 decentralized evaluations planned for 2017, with a total budget of $15.5 million.[8] At that time, the office voiced its concern with the ambition of this goal, which it reiterated during regional planning workshops held in 2017. In October 2017, the number of planned evaluations was 563 evaluations ($18.5 million). Between October 2017 and January 2018, evaluation plans for the year were adjusted to the extent that 40 per cent had been removed or had completion dates changed beyond 2017.[9] While some adjustment to plans may be justified, given the exigencies of project implementation (such as delayed approval and initiation of particular projects), evaluation planning

[4] The UNDP Administrator's annual report 2017 details core and non-core fund utilization of $4.5 billion

[5] The assessment of development results 2016 reported $19.85 million were spent on evaluation, 0.44 per cent of core and non-core budget expenditure of $4.48 at the time of the writing of the assessment 2017.

[6] Country offices' budget from the results-oriented annual report 2017 includes evaluation costs and staff. Regional bureau costs are based on Evaluation Resource Centre evaluation data and estimated evaluation staff costs for full and part time monitoring and evaluation staff.

[7] Overall monitoring and evaluation spending recorded through the results-oriented annual report was $58,762,343 during 2017. Evaluation accounted for 19.5 per cent.

[8] Evaluation Resource Centre data presented at the informal Executive Board meeting, 25 May 2017.

[9] Changes included new evaluations added to plans, evaluations deleted and completion date changes.

and the procedures and justifications for adjustments to evaluation plans need to be clarified and oversight strengthened to ensure that evaluation commitments given at the start of the country programme cycle are met. The office will strengthen tracking and reporting within the Evaluation Resource Centre to ensure changes can be easily overseen and identified to monitor evaluation commitments given at the start of a cycle.

46. Preliminary data indicates 460 decentralized evaluations are planned for 2018, with a budget of $15.5 million.[10]

Assessing the quality of decentralized evaluations

47. No adjustments were made to the quality assessment tool in 2017 to ensure consistency of findings; however, the scope has now been expanded to cover all evaluations, including UNDAF evaluations.[11] The quality assessment process for 2017 has identified a decline in quality compared to 2016, with the percentage of evaluations with a satisfactory rating falling from 28 to 20 per cent In 2017, 1 per cent of evaluations were highly satisfactory (3), 20 per cent were satisfactory (52) and 53 per cent were moderately satisfactory (138). The quality of 26 per cent (68 with a budget of $2 million) fell far short of UNDP standards.[12]

48. Evaluation quality across regions varies somewhat, with the Arab States, Europe and the CIS, Latin America and the Caribbean showing some improvement compared to 2016. A more detailed analysis of the quality assessment findings will be undertaken during 2018, and suggested changes in evaluation management will be included in the updated guidelines in an attempt to improve evaluation quality and halt further quality decline. UNDP will need to ensure a greater oversight, implementation and approval system that provides clear guidance and rejection of poor terms of reference and the review and rejection of poor quality evaluations.

Evaluation plan compliance

49. Of the 19 countries whose plans ended in 2017, 17 showed a 100 per cent completion rate, while two were partially complete, with over 75 per cent of evaluations completed. However, this does not reflect the fact that during an evaluation plan's cycle, it can be adjusted many times; and while country offices may be compliant with plans at the end of the cycle, they may not be fully compliant with their original evaluation plans or the spirit thereof. As mentioned, the Independent Evaluation Office is ensuring more detailed oversight of plans throughout their life to establish a clearer picture of compliance.

Decentralized evaluation support in 2017

50. Further to requests from the Executive Board, and as outlined and agreed in the 2016 evaluation plan and previous reports to the Executive Board (DP/2016/13 and DP/2017/20), in 2017 the Independent Evaluation Office fully committed to strengthening the evaluation function at the decentralized level and drove a number of initiatives forward, undertaken in close collaboration with the regional bureaux. The office has previously outlined its strategy of support to decentralized evaluation, which focuses on five key areas that directly support the implementation of decentralized evaluations and strengthen the oversight of decentralized evaluation planning and implementation.

51. *The revised quality assessment tool* is now in its second year of implementation, and provides regions and country offices with feedback on the quality of commissioned evaluations across the organization to enable implementation lessons to be captured and actions taken to address poor quality evaluations.[13]

52. In 2017, *training and feedback workshops were conducted with regional and country offices* to obtain feedback from monitoring and evaluation focal points and other UNDP staff on the needs of country offices to strengthen decentralized evaluations. The regional bureau workshops, financially supported by the Swiss Agency for Development and Cooperation, enabled the Independent Evaluation Office to deliver training and guidance on evaluation planning, budgeting,

[10] Evaluation Resource Centre data, 31 January 2018.

[11] In 2016, the quality assessment process was not undertaken for UNDAF evaluations, country programme evaluations commissioned by country offices or thematic evaluations.

[12] As of March 2018, 261 quality assessments of evaluations had been completed.

[13] http://web.undp.org/evaluation/documents/quality-assessment/DE_QA_2016.pdf.

implementation and use to monitoring and evaluation focal points and UNDP country office management, advisers and programme staff. These workshops were undertaken throughout 2017 and were aligned with other regional planning trainings, including country programme document development and theory of change; they were successful in fully or partially financing the inclusion of 126 country office monitoring and evaluation focal points from 121 countries.[14]

53. The regional workshops covered a variety of evaluation issues and concerns, and were, in many cases, the first evaluation training some monitoring and evaluation focal points and other staff had received. The workshops introduced the new evaluation policy, and provided detailed analysis and guidance on the current evaluation approach and the large variances apparent in plan's content and budgets between countries and regions. Considerable discussion was held on current guidance for evaluation implementation, and feedback was sought for the forthcoming updating of the evaluation section of the handbook on planning, monitoring and evaluating for development results (published 2009 with some updates 2011). The workshops were highly appreciated, and there have been requests for further workshops in 2018 to further clarify planning and budgeting for evaluation and other issues.

54. *The Evaluation Resource Centre and evaluation consultant database was revised* to support country offices and regional bureaux in their daily evaluation implementation and oversight of evaluation. Revisions include strengthening of the database of consultants, and access to and reporting on quality assessments. Several further adjustments are being made.

55. *The revision and update of the evaluation guidelines (2009)* has started and will be finalized in 2018.

56. The Independent Evaluation Office will *develop evaluation capacity, training and certification* based the revised guidelines to enable all monitoring and evaluation focal points and programme staff to obtain the technical skills to implement evaluations.

V. United Nations Capital Development Fund and United Nations Volunteers

57. The Independent Evaluation Office continued to support the United Nations Capital Development Fund (UNCDF) and United Nations Volunteers (UNV) in various capacities in 2017. This included a full quality assessment of all evaluations undertaken by both organizations in 2017 as well as detailed feedback, cooperation and guidance on the development of the UNCDF Strategic Framework, 2018-2021, in alignment with the development and submission of the UNDP Strategic Plan, 2018-2021, to UNDP Executive Board in 2018.

58. UNCDF continued to invest heavily in its evaluation function in 2017, completing two external midterm and final project evaluations: the Local Finance Global Initiative, which introduces new approaches to 'last mile' infrastructure finance by the public and private sectors in Benin, Tanzania and Uganda, and the global CleanStart programme, which promotes increased financing and development of markets for clean energy solutions for the poor in Cambodia, Ethiopia, Myanmar, Nepal and Uganda. A third evaluation, begun in 2017 and completed in 2018, was the Local Climate Adaptive Living Facility, which aims to increase the amount of finance available to local governments in least developed countries for climate change adaptation. A fourth evaluation, launched in 2017, of its Mobile Money for the Poor programme aims to support the scaling up of sustainable branchless, mobile financial services to the poor in developing countries. Total evaluation expenditure for the year was $691,865 (including $32,000 from the Independent Evaluation Office for the results measurement review), drawn from both core and non-core resources. This represented just over 1 per cent of total UNCDF expenditure and includes the cost of evaluations and the running costs of the UNDCF Evaluation Unit, including staffing costs of an evaluation specialist and an evaluation analyst.

59. In support of the new UNCDF Strategic Framework, 2018-2021, the UNCDF Evaluation Unit commissioned an external review of the UNCDF results measurement system, funded by the Independent Evaluation Office. It also oversaw a synthesis review exercise that summarized key evaluation results under the strategic framework, and it supported, from an evaluability perspective, the conceptualization and early drafting of the new UNCDF integrated results and resources matrix, 2018-2021. The Evaluation Unit also prepared an evaluation plan for UNCDF for 2018-2021,

[14] Arab States in November 2016, Asia and the Pacific in May 2017, Africa in June-July 2017, Latin America and the Caribbean in September 2017, and Europe and CIS in October 2017.

annexed to the strategic framework, that sets out a series of priority evaluations to be conducted at both the project and programme and, resources permitting, at the broader strategic and thematic levels.

60. The UNV budget for evaluation in 2017 totalled approximately $271,000, drawn from core and non-core resources, including special voluntary funds. The budget covered the cost of the two corporate level evaluations, one project evaluation and the salary of one evaluation specialist.

61. In 2017, UNV concluded the first phase of the transitional evaluation plan by undertaking two evaluations identified in 2016 to address immediate organizational information needs. These included the evaluation of the UNV Strategic Framework, 2014-2017, and the evaluation of UNV work on gender equality and women's empowerment. These evaluations included extensive stakeholder engagement and focused on relevant and practical recommendations to inform the future work programme of UNV. These evaluations provided accountability for the results achieved during the 2014-2017 strategic framework period, and provided recommendations that are being implemented to enhance and support the UNV Strategic Framework, 2018-2021, and the organizational transformation of UNV.

62. In addition, UNV continued to provide technical support and quality assurance to decentralized project evaluations; it completed the final evaluation of UNV support to the Local Governance and Community Development Programme II in Nepal. Furthermore, two project evaluations which directly assess results of UNV work on volunteer infrastructures have been initiated and are expected to be completed in the first quarter of 2018. These will provide direct and relevant information to inform future UNV work on volunteerism.

63. In order to promote effective evaluation work planning, quality assurance and, as a response to the evaluation of the UNV Strategic Framework, 2014-2017, recommendations, UNV is conducting an evaluability assessment of its Strategic Framework 2018-2021. This will directly inform the next UNV evaluation work plan and improve reporting mechanisms for the new strategic framework. Finally, the current development of UNV-specific guidance for monitoring and evaluation will support implementation of results-based management at all levels of UNV and address monitoring and evaluation processes.

VI. Staffing and finances, 2017

64. Independent evaluation is highly contingent upon triangulation among perspectives, methods and evidential data sets. Likewise, the nurturing and development since 2012 of cultural and professional disciplinary diversity have been an integral priority in the development of the Independent Evaluation Office and have been a foundation of the office's recruitment, staffing, internal governance arrangements and body of methodological practices.

Independent Evaluation Office staffing

65. In 2017, the Independent Evaluation Office established a formal section structure to replace the previous semi-formal committee structure. This was made possible following a number of developments, including the approval of a request for additional staff; commitments to fund the office's thematic and corporate evaluations, strengthen and support decentralized evaluations, and professionalize evaluation within the office; and the move away from subcontracting evaluations. These developments have made this expansion essential and the restructuring necessary to ensure the office's smooth operation. The office now operates through four sections, including the Independent Country Programme Evaluations Section, the Corporate Evaluation Section, the Capacity Development Section and the Operations Section.

66. The Independent Evaluation Office now has 29 staff: 21 international professional staff and eight general service staff; though seven of these positions are temporary, the office hopes to make them fixed in the future to ensure it is able to meet its commitments. The office has full gender parity across its professional staff, and continues to have a broad range of evaluation experience. Additions in 2017 means the office now has professional staff from 18 countries speaking over 15 languages, with an average of over 15 years experience in evaluation and development, and a considerable range of diverse working experiences, education and membership in professional organizations across the globe.

Finances

67. The Independent Evaluation Office utilized $9.03 million in 2017 for evaluations and other

institutional activities (including staffing and rent). Of that, $8.67 million came from core resources, representing an overspend of $360,000 which was possible due to a budget override on staff salaries and entitlements. The 2017 budget for the office represents 0.2 per cent of overall core and non-core funds.[15]

68. The Independent Evaluation Office continues to partner strategically and selectively with external development agencies and governments in order to advance the evaluation mandate and function within UNDP and externally. In 2017, the office continued or entered into strategic partnerships with the governments of Finland, Norway, Sweden and Switzerland to support, strengthen and expand its work through the National Evaluation Capacities Conference and the National Evaluation Capacities diagnostic tool and through its decentralized evaluation support, among other areas. These cost-sharing agreements amounted to $562,000. The National Evaluation Capacities also saw considerable in-kind and directly funded contributions from the Government of Turkey in organizing the conference.

VII. Costed programme of work, 2018-2021

69. This section details the Independent Evaluation Office's approved multi-year evaluation plan, 2018-2021 (DP/2018/9).[16] This is the first multi-year plan under the new evaluation policy and is in line with the office's commitments under the policy to "present to the Executive Board a multi-year evaluation plan aligned with the UNDP strategic planning cycle: the programme of work is to be adjusted annually through a costed programme of work presented to the Executive Board in the annual reports on evaluation" (evaluation policy, paragraph 46).

Indicative annual budget for the Independent Evaluation Office, 2018-2021

70. Planning of the Independent Evaluation Office during 2018, and for the remainder of the multi-year evaluation plan to 2021, is based on budget projections derived from the UNDP integrated resource plan and integrated budget, 2018-2021 (DP/2017/39), presented at the special session of the Executive Board in November 2017. The budget plan establishes a resource envelope for the independent Evaluation Office of $42.1 million for 2018-2021, which, if apportioned equally over four years, provides an annual budget of just over $10.5 million. Subtracting the annual cost of office rental and utilities, approximately $10 million would remain for staff salaries and programme expenditures.

Independent country programme evaluations	2.9	28%
Corporate and thematic	2.8	27%
Evaluation capacity	1.7	16%
Directorate	1.6	15%
Operations	0.7	6%
Operating expenses		
Premises	0.5	5%
General operating expenses	0.2	2%
Other/miscellaneous	0.1	1%
	$10.5 m	100%

Corporate Section

71. Under the multi-year plan, the Corporate Section will develop an array of corporate and thematic evaluations, which will culminate in a further comprehensive evaluation of the UNDP Strategic Plan, 2018-2021, for presentation in 2021. Meanwhile, the subjects for interim thematic

[15] The UNDP Administrator's annual report 2017 details core and non-core fund utilization of $4.5 billion

[16] Document DP/2019/9: Decisions adopted by the Executive Board at its first regular session 2018

evaluations will be aligned with the UNDP Strategic Plan, 2018-2021, with an element of flexibility, especially in the latter years of the planning cycle, to enable further deliberation with the Executive Board and UNDP management during 2018 and 2019. In 2018, the Independent Evaluation Office will undertake evaluations of UNDP inter-agency pooled financing and operational services and UNDP support to least developed countries for social protection and poverty reduction. In addition, in line with the common chapter of the UNDP Strategic Plan, 2018-2021, the Independent Evaluation Office will work closely with UNFPA, the United Nations Children's Fund and the United Nations Entity for Gender Equality and Women's Empowerment to explore and identify areas of possible joint and collaborative evaluation, across areas of joint strategic focus and work.

Independent Country Programme Evaluations Section

72. The move to 100 per cent coverage of independent country programme evaluations (ICPE) is a considerable change for the Independent Evaluation Office and has been supported by changes in methodological approach and an increase in professional staff. These evaluations have, in principle, moved away from consideration of two cycles to one (current) programme cycle, focused on capturing lessons that will directly inform the process of formulating a new country programme strategy in the following cycle. In 2018, 15 country programme evaluations are planned, which will accompany country programme documents being presented to the Board in 2019. This number will increase in 2019, with 37 country programme evaluations scheduled to be undertaken.

73. The Independent Evaluation office will also report to the Executive Board annually beginning in 2018 with a synthesis of results and lessons from ICPE assessments.

Capacity Development Section

74. The Independent Evaluation Office will expand its support to evaluation capacity development within UNDP and beyond. Regarding support to the decentralized evaluation function, the office will continue to deliver guidance and training on evaluation implementation; the extent, however, will depend on available financial resources. At the same time, the Capacity Development Section will work more closely with regional evaluation focal points to strengthen the oversight of decentralized evaluations, including evaluation plan design and implementation. The office will also increasingly engage, through training and planning advice, with country office and management to ensure increased commitment to evaluation.

75. Regarding support to national evaluation capacities, the office is now reviewing the lessons learned from the series of five National Evaluation Capacities Conferences to develop a strategy for future support, which will include piloting of the diagnostic tool in collaboration with UNDP programme teams. The Capacity Development Section will build on the positive outcome of the conferences, and is currently planning its next engagement either regionally or globally to build national evaluation capacity. It will build on the support given to evaluation and the Goals throughout 2018 and beyond, and will ensure the office engages across a range of regional evaluation and Sustainable Development Goals platforms.